

Jennifer J. Johnson

Secretary

Board of Governors of the Federal Reserve System

20<sup>th</sup> Street and Constitution Avenue, NW

Washington, DC 20551

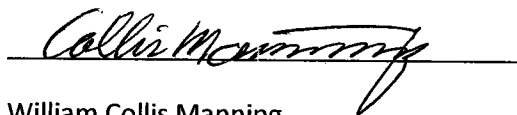
RE: Docket No. R-1404 and RIN No. 7100 AD63

February 15, 2011

Board of Governors of the Federal Reserve System,

With the reduction of interchange fees for banks, I've now learned that banks will likely reduce or eliminate many of their free services. As a consumer, I cannot afford to pay for something I've been accustomed to receiving for free. Only the retailers will benefit from this harmful rule and take home billions in profits- and consumers will be left to deal with the consequences. This rule does not require that retailers pass along even one penny of their savings to the consumers. Meanwhile, banks, forced to lose money on debit interchange transactions, will be forced to compensate themselves by increasing fees for deposit customers. The fact is that retailers receive tremendous benefits when they accept debit cards for payment, including higher sales, lower cost and guaranteed payment. That's why millions of retailers have chosen to accept debit cards – and that number is growing. This proposed rule is a government imposed price control and will affect my banks ability to fund operational cost for programs such as Free Checking , On-Line Banking and Mobile Banking. This action is a direct attack on consumer use, since the debit card has become a fundamental part of buying products and services. Banks will lose significant income, virtually making the debit card program unprofitable. This will result in elimination of debit cards by some banks, or a charge directly to the consumer per transaction, or a monthly fee, or at most both.

Sincerely,

A handwritten signature in cursive script, reading "Collis Manning", is written over a horizontal line.

William Collis Manning